

**211.9113 Insurance policy required for mitigation and measurement contractors --
Maintenance of license and permit bond.**

- (1) Each mitigation or measurement contractor shall maintain an insurance policy that:
 - (a) Is issued by an insurance company or other legal entity permitted to transact insurance business in the Commonwealth of Kentucky;
 - (b) Provides for general liability coverage in an amount of at least five hundred thousand dollars (\$500,000), and for measurement contractors, errors and omissions coverage in an amount of at least five hundred thousand dollars (\$500,000) that is maintained in effect at all times during the certification period;
 - (c) Lists the cabinet as a certificate holder of any insurance policy issued under this subsection; and
 - (d) States that cancellation or nonrenewal of the underlying liability insurance policy is not effective until the cabinet receives at least ten (10) days' written notice of the cancellation or nonrenewal.
- (2)
 - (a) Before a mitigation or measurement contractor is certified, he or she shall file with the cabinet a license and permit bond to be approved by the cabinet and shall maintain the license and permit bond during the term of the certification payable to the Commonwealth in the sum of ten thousand dollars (\$10,000).
 - (b) The bond shall be conditioned on the applicant's compliance with KRS 211.9101 to 211.9135 and any administrative regulations promulgated thereunder by the cabinet.
 - (c) The bond shall be on a form prescribed by the cabinet through promulgation of an administrative regulation.
 - (d) The license and permit bond shall be executed by a corporate surety authorized to transact surety business in the Commonwealth of Kentucky.
 - (e) The bond shall be continuous and may be canceled by the surety upon the surety giving written notice to the cabinet of its intent to cancel the bond. The cancellation shall be effective ten (10) days after the notice is sent to the cabinet. Cancellation by the surety shall not affect the surety's obligation for liability that accrued under the bond prior to the effective date of cancellation.
 - (f) Whether or not the bond is renewed, continued, reinstated, reissued, or otherwise extended, replaced, or modified, including increases or decreases in the penal sum, it shall be considered one (1) continuous obligation. Regardless of the number of years the bond remains in effect, the number of premiums paid, the number of renewals of the license, or the number of claims made, the aggregate liability of the surety shall not exceed the penal amount of the bond.

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